

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

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APR 13 2004

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY  
AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

W-03655A  
Cactus-Stellar Limited  
12625 W. Cactus Ridge  
HCR #2, Box 469  
Tucson AZ 857350000

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2003</b>
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FOR COMMISSION USE

<b>Ann04</b>	<b>03</b>
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## COMPANY INFORMATION

**Company Name (Business Name)** Cactus-Stellar, Ltd.

**Mailing Address** HCR 2, Box 469  
(Street)  
Tucson AZ 85735  
(City) (State) (Zip)

1-520-822-2214 - 520-465-4837  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** tutors2@earthlink.net

**Local Office Mailing Address** HCR 2, Box 469  
(Street)  
Tucson AZ 85735  
(City) (State) (Zip)

520-822-2217 - 520-465-4837  
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Mike Gallego President  
(Name) (Title)  
HCR 2, Box 474 Tucson AZ  
(Street) (City) (State) (Zip)  
520-822-5177 - -  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** mandmgallego@cs.com

**On Site Manager:** Tanya Lombardi-Power  
(Name)  
HCR 2, Box 469 Tucson AZ  
(Street) (City) (State) (Zip)  
520-822-2214 - 520-465-4837  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** tutors2@earthlink.net

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Richard Little  
(Name)

4837 E. 5<sup>th</sup> St. Tucson AZ 85711  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** Same as above  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)         | <input checked="" type="checkbox"/> Association/Co op (A)                 |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

COMPANY NAME

Cactus-Stellar, Ltd.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	-		
302	Franchises	-		
303	Land and Land Rights	-		
304	Structures and Improvements	line fixed		
307	Wells and Springs	city owned		
311	Pumping Equipment	city owned		
320	Water Treatment Equipment	-		
330	Distribution Reservoirs and Standpipes	-		
331	Transmission and Distribution Mains	-		
333	Services	-		
334	Meters and Meter Installations	\$711.00		
335	Hydrants	-		
336	Backflow Prevention Devices	\$978.73		
339	Other Plant and Misc. Equipment	-		
340	Office Furniture and Equipment	\$200.00		
341	Transportation Equipment	-		
343	Tools, Shop and Garage Equipment	-		
344	Laboratory Equipment	-		
345	Power Operated Equipment	-		
346	Communication Equipment	-		
347	Miscellaneous Equipment	-		
348	Other Tangible Plant	-		
	<b>TOTALS</b>	<b>\$1,889.73</b>		

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Cactus-Stellar, Ltd.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	-		
302	Franchises	-		
303	Land and Land Rights	-		
304	Structures and Improvements	line, fixed		
307	Wells and Springs	city owned		
311	Pumping Equipment	city owned		
320	Water Treatment Equipment	-		
330	Distribution Reservoirs and Standpipes	-		
331	Transmission and Distribution Mains	-		
333	Services	-		
334	Meters and Meter Installations	\$711.00		
335	Hydrants	-		
336	Backflow Prevention Devices	\$978.73		
339	Other Plant and Misc. Equipment	-		
340	Office Furniture and Equipment	\$200.00		
341	Transportation Equipment	-		
343	Tools, Shop and Garage Equipment	-		
344	Laboratory Equipment	-		
345	Power Operated Equipment	-		
346	Communication Equipment	-		
347	Miscellaneous Equipment	-		
348	Other Tangible Plant	-		
	<b>TOTALS</b>	<b>\$1,889.73</b>		

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME *Cactus-Stellar, Ltd.*

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 5,306.30	\$ 5,512.26
134	Working Funds	5,306.30	5,512.26
135	Temporary Cash Investments	—	—
141	Customer Accounts Receivable	—	—
146	Notes/Receivables from Associated Companies	—	—
151	Plant Material and Supplies	—	—
162	Prepayments	—	—
174	Miscellaneous Current and Accrued Assets	—	—
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 5,306.30	\$ 5,512.26
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ —	\$ —
103	Property Held for Future Use	—	—
105	Construction Work in Progress	—	—
108	Accumulated Depreciation – Utility Plant	—	—
121	Non-Utility Property	—	—
122	Accumulated Depreciation – Non Utility	—	—
	<b>TOTAL FIXED ASSETS</b>	\$ —	\$ —
	<b>TOTAL ASSETS</b>	\$ 5,306.30	\$ 5,512.26

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Cactus-Stellar, Ltd.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable <i>Testing and water bills-03</i>	\$ $\emptyset$	\$ $\emptyset$ <sup>paid</sup> (1,889.73)
232	Notes Payable (Current Portion)	-	
234	Notes/Accounts Payable to Associated Companies	-	
235	Customer Deposits	-	
236	Accrued Taxes	-	
237	Accrued Interest	-	
241	Miscellaneous Current and Accrued Liabilities	-	
	<b>TOTAL CURRENT LIABILITIES</b>	\$ $\emptyset$	\$ $\emptyset$
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -	\$
252	Advances in Aid of Construction	-	
255	Accumulated Deferred Investment Tax Credits	-	
271	Contributions in Aid of Construction	-	
272	Less: Amortization of Contributions	-	
281	Accumulated Deferred Income Tax	-	
	<b>TOTAL DEFERRED CREDITS</b>	\$ $\emptyset$	\$ $\emptyset$
	<b>TOTAL LIABILITIES</b>	\$ $\emptyset$	\$ $\emptyset$
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ -	\$
211	Paid in Capital in Excess of Par Value	-	
215	Retained Earnings	-	
218	Proprietary Capital (Sole Props and Partnerships)	-	
	<b>TOTAL CAPITAL</b>	\$ $\emptyset$	\$ $\emptyset$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ $\emptyset$	\$ $\emptyset$ <sup>paid</sup> (1,889.73)

COMPANY NAME Cactus-Stellar, Ltd.**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 6069.17	\$ 6,768.78
460	Unmetered Water Revenue	—	—
474	Other Water Revenues	—	—
	<b>TOTAL REVENUES</b>	\$ 6069.17	\$ 6,768.78
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ —	\$ —
610	Purchased Water	3,247.06	5,437.41
615	Purchased Power	—	—
618	Chemicals	—	—
620	Repairs and Maintenance	509.74	1,689.73
621	Office Supplies and Expense	141.86	331.60
630	Outside Services	—	—
635	Water Testing	655.00	425.00
641	Rents	—	—
650	Transportation Expenses	—	—
657	Insurance – General Liability	—	—
659	Insurance - Health and Life	—	—
666	Regulatory Commission Expense – Rate Case	10.00	10.00
675	Miscellaneous Expense <i>Ser. Ch. at bank</i>	120.00	120.00
403	Depreciation Expense	—	—
408	Taxes Other Than Income	—	—
408.11	Property Taxes	—	—
409	Income Tax	—	—
	<b>TOTAL OPERATING EXPENSES</b>	\$ 4683.66	\$ 8013.74
	<b>OPERATING INCOME/(LOSS)</b>	\$ —	\$ —
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ —	\$ —
421	Non-Utility Income	—	—
426	Miscellaneous Non-Utility Expenses	—	—
427	Interest Expense	—	—
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ —	\$ —
	<b>NET INCOME/(LOSS)</b>	\$ 1385.51	\$ 1244.96



COMPANY NAME Cactus-Stellar, Ltd.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan	NA			
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End      \$ Ø

Meter Deposits Refunded During the Test Year      \$ Ø

COMPANY NAME

Cactus-Stellar, Ltd.

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Tucson Los Realos Well		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

COMPANY NAME Cactus-Stellar, Ltd.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	—
3/4	18
1	—
1 1/2	—
2	—
Comp. 3	—
Turbo 3	—
Comp. 4	—
Tubo 4	—
Comp. 6	—
Tubo 6	—

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:  
NA- City of Tucson treatment

STRUCTURES:  
None

OTHER:

COMPANY NAME: Cactus-Stellar, Ltd.

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	16		11790
FEBRUARY	16	100174	11103
MARCH	16	122470	13922
APRIL	16	152437	17466
MAY	16	195920	24192
JUNE	16	246829	31226
JULY	16	217598	27520
AUGUST	16	176082	21544
SEPTEMBER	16	197290	23836
OCTOBER	16	143170	17389
NOVEMBER	16	120878	14029
DECEMBER	16	97503	10367
TOTAL		N/A	

Move ea. up one line

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (X) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. \_\_\_\_\_ mg/l

(If more than one well, please list each separately)

The City of Tucson is responsible for numbers on their well. Los Realas well.

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Cactus-Stellar, Ltd. YEAR ENDING 12/31/2003

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ Ø

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. The City of Tucson owns the well. They send the bill. We read the meters, send the bills and replace meters/pipes. No one is salaried. Monies collected pay the water bill and pay for meters/pipes. There is no property to tax.

COMPANY NAME Cactus-Stellar, Ltd. YEAR ENDING 12/31/2003

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**PRINTED NAME**

\_\_\_\_\_  
**TITLE**

*There is no tax to refund.*

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**RECEIVED**

APR 13 2004

VERIFICATION

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pima</u>	AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES
NAME (OWNER OR OFFICIAL) TITLE <u>Tanya Lombardi-Power, Treasurer</u>	
COMPANY NAME <u>Cactus-Stellar, Ltd.</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH 12	DAY 31	YEAR 2003
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 6,768.78

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Tanya Lombardi-Power  
SIGNATURE OF OWNER OR OFFICIAL  
520-822-2214  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th

DAY OF

April

2004

COUNTY NAME

Pima

(SEAL)

MY COMMISSION EXPIRES



OFFICIAL SEAL  
NANCY A. CARLSON  
NOTARY PUBLIC-ARIZONA  
PIMA COUNTY  
My Comm. Exp. July 20, 2005

M. A. Carlson  
SIGNATURE OF NOTARY PUBLIC

VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
**INTRASTATE REVENUES ONLY**

**RECEIVED**

APR 13 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

1 (COUNTY NAME) <u>Pima</u>	
NAME (OWNER OR OFFICIAL) <u>Tanya Lombardi-Power</u>	TITLE <u>Treasurer</u>
COMPANY NAME <u>Cactus-Stellar, Ltd.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 6,768.78

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Tanya Lombardi-Power  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

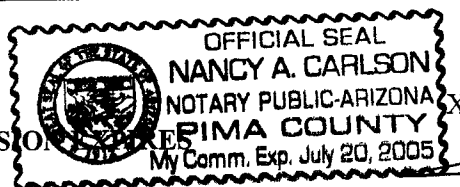
THIS

12th

DAY OF

(SEAL)

MY COMMISSION



NOTARY PUBLIC NAME <u>NANCY A. CARLSON</u>	
COUNTY NAME <u>PIMA</u>	
MONTH <u>April</u>	<u>20</u> 04

N. Carlson  
SIGNATURE OF NOTARY PUBLIC